NOVEMBER 1991

$2.00

Hispanic BUSINESS

BUSTING OUT BIG

RECREATIONAL & IMPORT SHARE GROWING

Annual Top 40 Auto Survey

HispanicBUSINESS

November 1991 Volume 13, Number 11

18
Miguel A. Hernandez Jr., CEO of Hernandez Engineering, is the Entrepreneur of the Year.

10
Ernesto Chavarria introduced a resolution admonishing PepsiCo at USHCC convention.

BPA MEMBERSHIP APPLIED FOR 1/90.

Cover Story

28

The Surveys HISPANIC BUSINESS 500 Auto Survey shows business buyers moving strongly to American makes while the general Hispanic market is shifting to imports.

Business

18

The Entrepreneur of the Year Miguel Hernandez Jr. best met all the judges' measures of what makes a great entrepreneur.

Contracting

20

Congressional Hispanic Aerospace Awards A salute to defense contractors that meet minority procurement targets.

Marketing

44

Going for the $25.1 Billion Jackpot Major car marketers are jostling for position in the big, upscaling Hispanic market.

Racing

22

Ad Campaigns Stress Championship Stuff Manny Esquerra provides a rough & ready advertising image that sells Fords.

New Cars

54

Hispanic Business Test Drives the '92s We test drive the new models the way you would—and share our findings.

Departments

Direct Line 4

Mail Bag 7

View Point 10

People Talk 14

The Markets 62

Business Notes 66

Career Intelligencer 68

Media/Marketing 70

Math-based Careers 72

Foreign Trade 74

Book Reviews 76

Research & Development 78

Cover

Jaime Martinez (left), Manny Esquerra, and their Ford Ranger. This month's cover design by Larry Crane.

"The data reported in this issue will undoubtedly more than confirm a need for auto makers to invest more dollars in Hispanic market research."

As the auto industry goes, so goes the nation. This is almost an article of economic fact. And as we know, our auto industry has had better years.

But look again at America's Hispanic consumers and their place in the pivotal auto markets.

Based on unpublished data from the Bureau of Labor Statistics, we're able to determine that sales of new vehicles registered to Hispanic consumers ("family" vehicles) total $4.0 billion annually. Other data from auto industry researcher J.D. Power for 1989/1990 tell us these figures represent sales of about 307,400 new family vehicles a year.

Annual finance charges on these sales amount to $1.4 billion; $2.7 billion is spent on maintenance and repairs; and gas and oil add another $5.3 billion.

But that's only half of the picture.

None of these figures includes spending on autos and trucks registered to America's more than 500,000 Hispanic-owned businesses.

Our 1991 automotive survey of the HISPANIC BUSINESS 500 companies indicates that this small group alone spent nearly $15 million on transportation in 1990, and that they replace their vehicles every 2.4 years on average.

These numbers suggest a relatively intense market relationship that is apparently growing each year. And manufacturers, both domestic and foreign, are beginning to take notice.

While European manufacturers have yet to begin courting this market seriously, the Japanese are investing increasingly to reach Hispanic consumers.

Indeed, they're developing attractive market shares. An unpublished national survey done in second quarter 1991 by automotive market research firm R.L. Polk & Co. shows that 49 percent of all Hispanic new family car purchases in 1991 were Asian, by comparison with only 38 percent of purchases by the general U.S. market. The figure for the more well-to-do Hispanic segment is even higher—nearly 52 percent. Seven of the top 10 auto models bought by Hispanic individuals are Asian.

And about 30 percent of Hispanic light truck purchases are Asian, by comparison with only 19 percent for the general market.

But it is of more than passing interest to note that—while Hispanic families are buying more Asian product—Hispanic business owners are shifting decisively toward American made cars and trucks.

Our own survey shows that 72 percent of the HISPANIC BUSINESS 500 fleet bears American nameplates—more than 37 percent Ford, 28 percent GM, and 10 percent Chrysler. That's an overall increase of 8 percent since 1990.

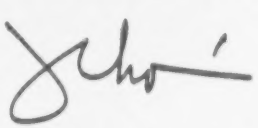
Among the 72 percent of Hispanic CEOs we surveyed who register their car to the business, only 8 percent report owning a Japanese make. Although Cadillac shares first place with Mercedes in this segment—each controlling 18.1 percent—59 percent of the CEOs buy American.

Is this due to the intensity of the business relationship Hispanic companies have with American auto manufacturers? Is it due in part to the increasing number of Hispanic-owned auto dealerships, and to the vendor relationships Hispanic companies are developing with Detroit?

Could be.

In any event, the data reported in this issue will undoubtedly more than confirm a need for auto manufacturers to invest more dollars in Hispanic consumer research—to predict future behavior in this segment, and to understand what will motivate Hispanic auto buyers.

Detroit's newfound devotion to lean production and quality may be the key industrial challenge of this decade. For their sake, and for the sake of the U.S. economy overall, we wish them well.



Editor & Publisher

HispanicBUSINESS

EDITOR AND PUBLISHER
Jesus Chavarria

ASSOCIATE PUBLISHER
Bonnie Chavarria

MANAGING EDITOR
Janet Glasheen
SENIOR EDITOR
Rick Mendosa
PRODUCTION MANAGER
Sharon Everitt Murphy
ASSOCIATE EDITOR/RESEARCH
Michelle Vachon
RESEARCH ASSOCIATE
Sarah L. Acosta
RESEARCH/STAFF ASSISTANT
Luisa M. Donis

CONTRIBUTING EDITORS
Dory Owens, George Voisky Miami, ***Jonathan Higuera, Richard Parker*** Washington ***Steve Bergsman*** Phoenix, ***Maura Mackowski*** St. Louis, ***Brian Wright O'Connor*** Boston, ***Joel Russell*** Santa Barbara

AUTOMOTIVE EDITOR
Ralph Gray

ART DIRECTION, DESIGN & PRODUCTION
Buffalo Brothers Studios West

CIRCULATION MARKETING DIRECTOR
Kathleen Jones

SALES
Arthur N. Markos, Director of Sales

ADVERTISING
Main Office:
Berdette Robison, Advertising Sales Manager
George A. Abrego, Account Executive
Mark Gersten, Account Executive
Thomas A. Howard, Account Executive
William E. Vasquez, Account Executive
Anna M. Salvaggi, Advertising Administrator

360 S. Hope Ave., Ste. 300C
Santa Barbara, CA 93105
(805) 682-5843
New York Sales Office:
(212) 688-0052

SPECIAL EVENTS MARKETING
HispanData
Lysa Kessman, HispanData Supervisor
J. Rodrigo Gonzalez, Account Executive
Suzanne M. Brutsche, Project Administrator

Se Habla Espanol
Priscilla Smith, Se Habla Espanol Supervisor
Nicole Morly, Account Executive

CONTROLLER
Daniel F. Spiegle III
BOOKKEEPER
Lois Rich

HISPANIC BUSINESS published monthly by Hispanic Business, Inc., 360 S. Hope Ave., Ste. 300C, Santa Barbara, CA 93105, telephone (805) 682-5843, fax (805) 687-4546. ISSN 0199-0349. One year subscription price $18. Single copies $2, except for June, $3.50. Foreign subscriptions: Mexico $27, worldwide $34, payable in advance. Second class postage paid at Santa Barbara, CA 93102, and additional mailing offices. POSTMASTER: Send changes of address to HISPANIC BUSINESS, P.O. Box 2114, Knoxville, IA 50198. **Subscription questions, call (800) 727-9703.** The entire contents of HISPANIC BUSINESS are copyright ©1991 by Hispanic Business, Inc. No part of this book may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, or any information storage-and-retrieval system, without prior written permission of the publisher. Published in the USA. All rights reserved. Publisher does not assume responsibility for any unsolicited materials and will return only those accompanied by a stamped, self-addressed envelope.

THE Surveys:

Business Auto Buyers Go American While Others Shift to Imports

That last piece of the puzzle is falling into place.

The major automotive market survey firm R.L. Polk & Co. of Detroit has calculated spending on the "Top 40" autos and trucks registered to individual Hispanics twice, once in 1988 and again this year. But for years nobody could get a fix on how much America's 500,000-plus Hispanic owned businesses spend for their company-registered autos, vans, and trucks, or on what kinds of vehicles these myriad small Hispanic businesses are buying.

Now we can, based on our annual automotive surveys of the country's largest Hispanic-owned companies—the HISPANIC BUSINESS *500. And what we find is a surprisingly sharp segmentation in the Hispanic automotive market.*

The trend in car and truck buying for the Hispanic business sector is quite different than for the general Hispanic market sector as analyzed by Polk, and both differ from trends in the U.S. mainstream market. The importance of these differences is underscored by Labor Department data showing that U.S. Hispanic automotive expenditures topped $25.1 billion last year.

This article examines the results of both the second annual HISPANIC BUSINESS *500 Automotive Survey and an R.L. Polk report on the "Top 40" autos and trucks registered to individual Hispanics in the United States.*

Hispanic Business 500 Survey Results Go American

Our second annual survey of automotive spending shows that the HISPANIC BUSINESS 500, which reported total revenues of $9 billion for 1990, spent about $14,779,650 on their fleets and fleet maintenance in the past year—an average of $30,000 per company. These companies report having more than 8 percent of their total asset base invested in cars and trucks.

Based on our survey sample, the HISPANIC BUSINESS 500 own or lease about 6,182 vehicles in total, an average of slightly more than 12 per company. Sixty-eight percent of these—4,193—are trucks, 32 percent cars. The 500 companies own the majority of these vehicles outright rather than leasing: 86 percent of the high-mileage trucks and vans are owned, and 66 percent of the company cars. Fifty-eight percent of the respondents purchase all their vehicles; 11 percent lease all; and 27 percent mix owned and leased vehicles in their fleets.

Looking ahead to 1992, of the companies that plan to add to their fleets, 58 percent again say they will add only purchased vehicles, but twice as many as last year—23 percent—will add only leased vehicles. About 19 percent plan a mix for their additional fleet.

All in all, the 500 will probably add new cars and trucks worth $29,200,000 to their fleets this year. This is based on an average cost per car of $16,000 and an average cost for trucks of $36,415 (at an average cost of $16,000, according to *Automobile Executive* magazine). The big change in their plans is that many more companies

Share of Company Cars by Manufacturer

Total = 1,989

	1990	1991
Ford	31.9%	37.3%
GM	29.9	28.2
Chrysler	6.0	10.3
Toyota	9.2	4.5
Mercedes	5.8	3.0
Honda	3.2	2.3
BMW	3.9	1.6
Other	11.1	12.8

© Hispanic Business Inc. Reprinting or copying requires written permission.

Share of 1991 Fleet By Vehicle Type

Total = 6,182

	Purchased	Leased
Subcompact/compact	8.6%	16.5%
Intermediate/full	9.5	25.4
Luxury	8.7	11.7
Minivans/vans	11.0	13.4
Light-duty trucks	23.6	12.6
Medium/heavy trucks	35.7	18.4
Sports/utility vehicles	3.0	2.0

© Hispanic Business Inc. Reprinting or copying requires written permission.

Cars CEOs Drive By Make

	1990	1991
Cadillac	12.7%	18.1%
Mercedes	15.8	18.1
Lincoln	9.4	10.9
Chevrolet	3.2	8.0
Ford	9.4	6.5
Jaguar	3.2	6.5
BMW	9.4	5.0
Buick	N/A	4.3
Oldsmobile	3.2	3.6
Lexus	N/A	2.9
Jeep	4.9	2.2
Other	28.8	13.8

Share 1991

American make:	59%
European make:	33%
Japanese make:	8%

© Hispanic Business Inc. Reprinting or copying requires written permission.

will be leasing their medium and heavy duty trucks. Currently, only 12 percent of these vehicles are leased. The survey indicates that truck leasing will increase almost fourfold, to 44 percent.

To finance their vehicle purchases, about 51 percent of the survey respondents employ bank loans, 14 percent go to loan institutions, 29 percent draw on company resources, and the remaining 6 percent find "other" sources. About 46 percent of the companies purchasing vehicles got a fleet discount. Fewer than half—44 percent—purchase extended warranty coverage, four out of five times from the dealer.

Of the $30,000 that the average HISPANIC BUSINESS 500 company spends yearly on fleet and maintenance, roughly $10,000 is for purchase costs, $3,000 for leasing, $7,500 for maintenance, $6,000 for insurance, and $3,500 for finance charges. If we extrapolate these averages to the entire HISPANIC BUSINESS 500, their total annual expenditures are roughly $4.9 million for vehicle purchases, $1.4 million in leasing costs, $3.7 million for maintenance, $2.9 million for insurance, and $1.7 million in finance charges.

About 34 percent of the respondents have their vehicles serviced by the dealer, 28 percent go to independent shops, and about 11 percent do their own servicing.

ow often do they replace their vehicles? About every 2.4 years—a bit faster than last year, when it was every 2.6 years. And the average company replaces its tires and brakes every 14.4 months; batteries and mufflers every 12 months.

But now for the question that's most important to the auto industry: What kinds of cars are Hispanic companies buying? What's the trend?

Overwhelmingly, it's American. Based on our survey, 76 percent of the total HISPANIC BUSINESS 500 auto fleet bears American nameplates, as opposed to 24 percent imports. That's an increase in American buying of 8 percent since our first HISPANIC BUSINESS 500 automotive survey conducted in 1990.

Among the American manufacturers named, both Ford and Chrysler increased their market share with the 500. Ford increased by 5.4 percent, from 31.9 percent to 37.3, to further consolidate its place as the

Average Annual Automotive Expenditures

Purchases	$9,823.73
Leasing	2,863.64
Maintenance	7,430.42
Insurance	5,947.59
Finance charges	3,493.92
Total	**$29,559.30**

© Hispanic Business Inc. Reprinting or copying requires written permission.

Fleet Ownership
(Percent of Companies)

	1990	1991
Purchased only	59.7%	57.8%
Leased only	14.9	10.9
Both	20.9	27.2
No response	4.5	4.1

© Hispanic Business Inc. Reprinting or copying requires written permission.

top selling make. And while GM kept a tight grip on second place, it dropped from 29.9 percent in 1990 to 28.2, while Chrysler gained 4.3 percent, climbing from a 6 percent share to 10.3 percent.

The gains for Ford and Chrysler came at the expense of all the other major players, including mainly Toyota, Mercedes, Honda, and BMW.

And what do the top managers of these Hispanic businesses drive?

CEOs are, of course, like everybody else—only richer and busier. The cars they drive are more expensive. And for the CEOs of HISPANIC BUSINESS 500 companies, their cars are more likely to be company owned than not. Of the CEOs who responded, 72 percent say their company owns the car they drive. This is up from the 67 percent reported last year.

Cadillac is the up-and-comer this year among the CEOs, with an increase from 12.7 percent last year to 18.1 percent this year. With that jump, the American luxury car is running hood to hood with the Mercedes, which also increased in popularity with CEOs this year, from 15.8 percent to 18.1 percent.

Lincoln, in third place, is another big winner with the Hispanic CEOs. This year 10.9 percent of the HISPANIC BUSINESS 500 CEOs report to us that they drive a Lincoln, up just slightly from 9.4 percent last year.

Overall, American made cars account for about 59 percent of the CEO fleet; European imports 33 percent, and Japanese cars just 8 percent.

Finally, we asked the 500 to list in rank order, 1 through 5, the factors that they think are most important in their decision to buy or lease a vehicle. "Price" remains the first consideration for 40.1 percent of the business car buyers who reponded. Another 14.6 percent listed something less concrete—"personal preference." And "U.S. made" was close at 12.9 percent. After that came "maintenance cost" (8.2 percent), and "resale value" (5.3). "Luxury," "economy," "consumer report evaluation," and "image" clustered at 3 and 4 percent, and only 2.3 percent of the responding companies ranked "import" as the most important criterion.

And, assuming car buyers may make tradeoffs among their three or four top ranked criteria, we developed a "weighted average" evaluation of the 10 criteria, as outlined in the table above. This shows that price may account for 25.4 percent of the average purchase decision, maintenance 17.4 percent, personal preference 11.6 percent, and U.S. made 10.2 percent. Again, import ranked last in relative importance, at 1.6 percent. —Continued

Relative Importance of Criteria in Vehicle Selection

Weighted Average

Price	25.4%
Maintenance	17.4
Personal preference	11.6
U.S. made	10.2
Economy	9.8
Resale	9.7
Consumer/road tests	6.2
Luxury	4.5
Image	3.7
Import	1.6

© Hispanic Business Inc. Reprinting or copying requires written permission.

Purchase and Lease Intentions in Next 12 Months

Total = 1,098 Vehicles

	Purchase	Lease
Subcompact/Compact	16.5%	1.4%
Intermediate/Full	17.4	37.5
Luxury	12.4	15.3
Minivans/Vans	16.1	6.9
Light-duty trucks	22.3	5.6
Medium/heavy trucks	12.8	33.3
Sports/Utility vehicles	2.5	0.0

© Hispanic Business Inc. Reprinting or copying requires written permission.

Vehicle Financing Source

Bank	50.9%
Loan Institution	14.2
Your company	29.2
Other	5.7

© Hispanic Business Inc. Reprinting or copying requires written permission.

Frequency of Vehicle Replacement

% of Companies

Average = 2.4 years

Yearly	26.2%
2 years	26.2
3 years	35.7
4 years	4.8
More than 4 years	7.1

© Hispanic Business Inc. Reprinting or copying requires written permission.

R.L. Polk "Top 40" Data Show a Shift to Imports

While Hispanic businesses continue loyally to buy more of Detroit's cars and trucks, more of the men and women on the street are going over to Japanese vehicles.

Hispanics are spending a bigger portion of their new car budget with the Japanese than they did three years ago, shifting further toward Tokyo than the overall population. Exactly 48.81 percent of all new cars registered to Hispanic buyers in the second quarter of 1991 were Asian imports, by comparison with 37.60 percent for the overall market.

And the more well-to-do Hispanic auto market segment—buyers with incomes above $75,000—is even more likely to buy Asian. Of that group, 51.46 percent purchased Asian imports. In each case autos purchased from the one Korean maker included in these data, Hyundai, represent only a small portion of the total Asian maker sales figure.

These dramatic findings emerge clearly from previously unpublished data collected nationally for second quarter 1991 by the Detroit-based auto market research firm R.L. Polk & Co.

Polk's data, which also correlate Hispanic car and truck purchase choices with specific demographic and lifestyle characteristics like age, gender, occupation, and income, are drawn from proprietary, commercial, and public sources of new car and truck registration information in 49 states and the District of Columbia (Hawaii is not included because of state regulations). Polk identifies Hispanic buyers based on their surnames.

"Spanish-language advertisements created by the Hispanic ad agencies working with the Japanese manufacturers have had

Top 40 Auto Models Hispanics Buy

Rank	Model	New Cars Hispanics Bought in 1988 %	New Cars Hispanics Bought Apr.-June 1991 %	All New Cars Sold In U.S. Apr.-June 1991 %
1	Honda Accord	4.20%	7.53%	6.47%
2	Toyota Camry	2.10	4.71	4.29
3	Chevrolet Cavalier	2.70	4.37	4.17
4	Nissan Sentra	4.40	4.34	2.09
5	Toyota Corolla	1.90	3.97	2.63
6	Honda Civic	2.50	3.78	2.79
7	Ford Escort	3.80	3.26	3.37
8	Toyota Tercel	1.20	2.63	1.34
9	Hyundai Excel	6.10	2.08	1.20
10	Pontiac Grand Am	2.50	1.81	1.72
11	Ford Taurus	1.90	1.63	2.53
12	Mazda 626	0.60	1.54	1.51
13	Toyota Celica/Supra	1.00	1.51	1.14
14	Acura Integra	N/A	1.48	1.20
15	Geo Storm	N/A	1.47	0.95
16	Nissan Maxima	1.00	1.44	1.30
17	Nissan Stanza	0.70	1.35	0.86
18	Ford Mustang	2.50	1.32	0.98
19	Chevrolet Lumina	N/A	1.30	2.02
20	Mitsubishi Eclipse	N/A	1.30	0.95
21	Ford Tempo	2.20	1.19	1.44
22	Chevrolet Camaro	1.90	1.14	0.70
23	Buick Somerset/Skylark	0.60	1.01	1.39
24	Chevrolet Beretta	1.70	1.00	0.89
25	Buick Regal	1.20	0.96	1.52
26	Hyundai Scoupe	N/A	0.94	0.46
27	Ford Thunderbird	1.20	0.91	0.84
28	Mazda Protege/323	1.00	0.90	0.79
29	Buick Le Sabre	0.90	0.87	1.98
30	Geo Metro	N/A	0.86	0.93
31	Mercury Cougar/XR-7	1.50	0.84	0.67
32	Oldsmobile Cutlass Ciera	3.90	0.81	1.32
33	Nissan 240SX	N/A	0.81	0.48
34	Chevrolet Corsica	1.50	0.79	0.69
35	Oldsmobile Cutlass Calais	N/A	0.77	0.95
36	Pontiac Grand Prix	0.80	0.76	1.06
37	Mazda MX-6	N/A	0.75	0.61
38	Mercury Grand Marquis	0.80	0.74	1.52
39	Hyundai Sonata	N/A	0.74	0.44
40	Oldsmobile Cutlass Supreme	N/A	0.73	1.04

Source: R.L. Polk & Co. Unpublished data September 1991.

a huge impact on the market share of the Japanese imports," observes Virginia McNamara, Polk's senior account representative with AutoMIS Services. "The increases in Honda's and Toyota's market shares are good examples of this. I should add that Polk can also provide this information by region, state, and/or area of dominant influence or ADI."

A look at Polk's list of the "Top 40" auto models bought by Hispanics provides a more detailed comparison with overall market patterns. This market segment is much more likely to buy a Honda, a Toyota, a Nissan, or a Mitsubishi, for example, than the general population. That difference holds true for cars in all price ranges, including entry and mid-level models as well as the more pricey ones like the Honda Prelude, the Toyota MR2, and the Nissan 300ZX.

Of the American-made cars appearing on the "Top 40," Hispanics continue to favor only two models more than the general market: they buy 35 percent more Ford Mustangs and 26 percent more Mercury Cougars. "A Hispanic subset of sporty car buyers is something we also found in 1988," Ms. McNamara explains.

Two expensive European cars also win more favor among Hispanics than from the mainstream. Hispanics are 25 percent more likely to buy a BMW and 20 percent more likely to buy a Mercedes.

Hispanics haven't always tilted so heavily abroad. Just three years ago when Polk last ran the numbers, they bought domestic cars in much larger numbers. In that year, 59.3 percent of all Hispanic new car purchases were domestic. This portion has dropped precipitously to 45.99 percent in 1991.

For example, the favorite vehicle, garnering 7.53 percent of the Hispanic market in the second quarter of this year, is the Honda Accord. That's close to double the Accord's 4.20 percent share three years ago, when it was in third place.

Number two on the "Top 40" auto list, the Toyota Camry, also showed a steep increase. It went from a 2.10 share in 1988 to a 4.71 share now. Eight other Japanese

Top 40 Trucks and Vans Hispanics Buy

Rank	Model	New Trucks/Vans Hispanics Bought Apr.-June 1991 %	All New Trucks/Vans Sold In U.S. Apr.-June 1991 %
1	Chevrolet fullsize pickup-2 wdr	8.80%	5.96%
2	Ford Ranger pickup	5.87	7.30
3	Nissan king cab pickup-2 wdr	5.62	2.45
4	Ford Explorer	5.10	6.52
5	Toyota pickup-2 wdr	4.74	2.28
6	Ford F-series pickup-2 wdr	4.68	5.27
7	Chevrolet S-10 pickup	4.38	2.29
8	Plymouth Voyager	4.17	4.84
9	Dodge Caravan	4.01	5.22
10	Ford Aerostar	3.16	2.49
11	Toyota pickup-4 wdr	2.60	2.11
12	GMC fullsize pickup-2 wdr	2.51	1.87
13	Chevrolet Astro	2.47	2.24
14	Chevrolet S-10 blazer	2.36	2.80
15	Toyota 4 Runner	2.23	1.17
16	Chevrolet fullsize pickup-4 wdr	2.11	3.72
17	Cherokee-4 wdr	2.03	2.23
18	Toyota Previa	1.99	1.56
19	Mazda MPV	1.86	1.37
20	Mazda pickup	1.82	1.47
21	Nissan Pathfinder	1.67	0.98
22	Ford F-series pickup-4 wdr	1.52	3.44
23	Chevrolet passenger van	1.38	1.41
24	Mitsubishi Mighty Max pickup-2 wdr	1.35	0.71
25	Dodge Dakota pickup-2 wdr	1.24	1.83
26	Dodge Ram van	1.20	0.91
27	Ford Econoline van	1.19	1.47
28	Jeep Wrangler	1.02	0.90
29	Chevrolet Lumina APV	0.93	1.03
30	GMC Sonoma	0.92	1.20
31	Isuzu pickup-2 wdr	0.91	0.90
32	Isuzu Rodeo	0.91	0.50
33	Jeep Cherokee-2 wdr	0.89	0.33
34	Ford Bronco	0.76	0.67
35	GMC Safari	0.70	0.71
36	Dodge Ram pickup-2 wdr	0.66	1.27
37	GMC fullsize pickup-4 wdr	0.65	1.14
38	Isuzu Trooper	0.65	0.86
39	GMC S-15 Jimmy	0.64	0.76
40	Geo Tracker	0.64	0.73

Source: R.L. Polk & Co. Unpublished data September 1991.

models, the Toyota Corolla, the Honda Civic, the Toyota Tercel, the Mazda 626, Toyota Celica/Supra, the Acura Integra, and Nissan's Maxima and Stanza, each posted substantial gains.

Another American car showing a big gain over the three year period is the Chevrolet Cavalier, which went from a 2.70 share to a 4.37 share, climbing into third place among Hispanic car buyers.

The big loser among Hispanics, as their preferences moved upscale, was the Hyundai Excel. That car came in first with a 6.1 percent share of the market in 1988, but dropped to ninth place with 2.08 percent in the second quarter of 1991.

The truly upscale Hispanics are those with yearly earnings of more than $75,000. Their tastes in cars match their incomes. Not surprisingly, compared with those who earn less than $75,000, they buy proportionately more Cadillacs, Lincolns, Chrysler Lebarons, Buick Electras, Corvettes, and Dodge Stealths.

Likewise, among the Japanese imports, upscale Hispanics shift their preferences toward a different top car list on which all models of the Nissan Infiniti and the Nissan Maxima and 300ZX rank high. The same holds true of the Toyota Lexus, Celica/Supra, and MR2 models, Honda's Acura and NSX, Mazda RX-7, and the Mitsubishi Starion.

Among the European imports, the upper income Hispanic segment also favors Mercedes, BMW, Volvo, Saab, Audi, Porsche, Alfa Romeo, Jaguar, and Sterling.

The Polk data allow detailed comparisons of the buyers of different cars. For example, Honda buyers earn more than Toyota buyers. This difference is strongest at the low end of the income scale, with Hispanics earning under $15,000 being 29 percent more likely than the same segment of the general market to buy Toyota. But the comparison extends through the entire income range, up to those earning more than $125,000. Hispanics in this income range are 21 percent more likely to buy a new Honda.

Similar comparisons show that Hispanic Ford buyers earn more than those who buy Chevrolets. For example, Hispanic buyers earning between $100,000 and $125,000 buy 43 percent more Fords than Chevys.

The Polk data also highlight how auto choice differs by age, gender, and profession. For example, buyers in their 40s are considerably more likely to prefer a Geo than a Pontiac. Households headed by women are much more likely to buy an Oldsmobile than a Buick. And professional, technical, and managerial people are somewhat more likely to buy a Mazda than a Nissan.

Similarly, the Polk analysis highlights differences among truck buyers. Hispanic truck buyers overall are clearly younger than mainstream truck buyers.

Hispanics also show a greater preference by comparison with the general market for

Percent Auto Purchases by Geographic Origin: Overall Market and Hispanic Segment

Second Quarter 1991

	Overall	Hispanic	Hispanic as Percent of Overall
Domestic	57.58%	45.99%	80%
Asian Imports Total*	37.60	48.81	130
Honda	12.20	14.68	120
Toyota Motor Sales	10.52	13.90	132
Nissan Motor Corp.	5.28	8.72	165
Mazda	3.61	3.81	106
Hyundai	2.10	3.76	179
Mitsubishi	1.99	2.57	129
All other Japanese Imports	1.90	1.38	73
European Imports	4.56	4.94	108
Total	100.00%	100.00%	

*Includes cars produced in the United States under Asian brand names.
Source: R.L. Polk & Co. Unpublished data September 1991.

fullsize pickups with two-wheel drive. This is true whether the truck is a Chevy, GMC, Dodge Ram 50, Jeep Cherokee, Nissan King Cab, Suzuki Sidekick, or Toyota.

Hispanics also are much more likely to buy a truck made by Nissan, Mitsubishi, Toyota, Suzuki, or Mazda than buyers in the general market. As in the auto market, Hispanics buy proportionately more Asian imports than the general market. Only 19 percent of the general market for trucks went to Asian made vehicles in the second quarter of this year, by comparison with almost 30 percent of Hispanic truck purchases.

Clearly, while Japan hasn't made the big inroads into the U.S. truck market that it has in cars, those numbers are growing rapidly. If Hispanic car and truck purchases in the second quarter of this year represent the wave of the future, Detroit has real cause for concern.

Percent Auto Purchases by Income Group Lower/Middle and Upper Income Hispanic Segments

Second Quarter 1991

	Income Less than $75,000	Income More than $75,000	Upper As Percent of Low/Middle
Domestic	47.78%	36.60%	77%
Asian Imports Total*	48.31	51.46	107
Honda	14.10	17.73	126
Toyota Motor Sales	13.85	14.14	102
Nissan Motor Corp.	8.56	9.53	111
Mazda	3.77	4.01	106
Mitsubishi	2.50	2.94	118
Hyundai	4.11	1.90	46
All Other Japanese Imports	1.41	1.21	86
European Imports	3.66	11.66	108
Total	**100.00%**	**100.00%**	

*Includes cars produced in the United States under Asian brand names.
Source: R.L. Polk & Co. Unpublished data September 1991.

Percent Light Truck Purchases by Geographic Origin Overall Market and Hispanic Segment

Second Quarter 1991

	Overall	Hispanic	Hispanic as Percent of Overall
Domestic	80.63%	70.48%	87%
Total Imports*	19.33	29.53	153
Toyota	7.42	11.87	160
Nissan	4.41	8.22	187
Mazda	3.17	3.94	124
Isuzu	2.65	3.02	114
Mitsubishi	1.00	1.68	168
Other Imports	0.68	0.78	115
Total	**100.00%**	**100.00%**	

*Includes trucks produced in the United States under Asian brand names.
Source: R.L. Polk & Co. Unpublished data September 1991.

Going After the $25.1 Billion Jackpot

Automotive marketers want to ride the Hispanic buyer's move upscale.

No wonder many Hispanic new car dealers are feeling upbeat. Just as more and more Hispanic buyers are picking out more upscale cars and trucks, the pickings are getting better.

There'll be a significant number of brand new midmarket cars and trucks coming to town this fall—creating the richer mix of model lines and options that traditionally causes customers to hit the buy buttons harder.

"Our Hispanic customers are getting away from the tradition of Ford and Chevrolet, and going for Pontiac and Buick," claims Ruben A. Baca, president of Baca Motors Inc. in Belen, New Mexico. "New product sets up a big excitement with the public that drives them into your showroom, whether they buy that particular new car or not," he explains. Mr. Baca, who—not so surprisingly—deals in Buicks and Pontiacs, as well as GMC trucks, says, "We're having a better 1991 than 1990 on sales, and I believe 1992 will be better still."

Antonio Rodriguez's Fresno Toyota in California is seeing the same trend, says General Sales Manager Dan Hogan. Hispanic customers, who provide 25 percent of their sales, "are buying more car these days—more expensive models of the car lines." Another California dealer goes further. "There are no limitations as to what Hispanics are buying, says Mike Hernandez Jr., general sales manager of Camino Real Chevrolet in Monterey Park. "It's a diverse market—from a $4,000 used car to a $40,000 van conversion. This year has been inconsistent, but we're looking for good things in 1992."

So are dealers on the East Coast, says Lombardo Perez, owner of Metro Ford Inc. in Miami. "Our Hispanic customers are really continuing to buy the upscale vehicles. You can see it with the Ford Explorer [a sport utility wagon]. There is an interest in getting the top-of-the-line Eddie Bauer model."

Mr. Perez too is enthusiastic about the variety of new cars and trucks he has to sell. "New product triggers new sales. In fact the name of the game is new product," he says, convinced that the product coming from Ford will both help him record a "good increase" in year-end sales for 1991 and produce a better year in 1992.

The upswell has reached Dothan, Alabama too, where Ann and Dino Velazquez own Dothan Chrysler Plymouth Dodge. "Business is improving every single month. The momentum is building," Ms. Velazquez reports.

Such news from the grass roots brought a swift reaction from Nissan Motor Corp. in USA. Last year Nissan advertised an upgraded but still entry-level Sentra to Hispanics. This year, the ads for Sentra (which placed fourth in the Hispanic market as of second quarter 1991, according to auto market research firm R.L. Polk & Co.) are joined by a campaign for the fancier Stanza decked out in sporty trim like rear spoilers, a leather wrapped steering wheel, fog lights, a black grille, and a 138 hp 2.4L 4 cylinder engine. The Stanza placed 17 in the Polk Hispanic "Top 40" auto listing, with nearly double its 1989 share of market.

"Hispanics are buying upscale—that's why we will advertise the Stanza in addition to the Sentra to them this year," says Karen Gustafson, Nissan USA's advertising media manager. Research shows that Hispanics like Japanese products, Ms. Gustafson observes, and they particularly like family sedans—which ties in quite nicely with Nissan's current basic move to family sedans.

Our goal is to eventually become a sedan car company," she says. "We've built our reputation on sporty coupes and high performance, and we want to take some of that image and apply it to the sedan market. It's quite possible to sell that kind of car, an intermediate sedan with a high level of equipment, to the Hispanic market."

And, of course, Nissan may have no-

One out of every five Hispanic Business 500 CEOs drives a Cadillac like the new Seville STS to do business. How many would the nation's 500,000 Hispanic businesses buy?

ticed that Japanese competitor Honda is selling more Accords to Hispanics. Polk shows the Accord in first place with Hispanics this year—capturing a greater portion of that segment than of the general market, where it also leads—and toppling Nissan's Sentra from second place to fourth, below the Toyota Camry and Chevy Cavalier (see "Cover Story").

Meanwhile, Toyota Motor Sales USA clearly considered the Hispanic market when it launched a campaign to displace the Accord in calendar 1992. "We will sell 8,100 Camrys in 1991, and Honda about 11,000 Accords," predicts Jon P. Bucci, Toyota USA's ad manager for passenger cars. "We haven't been advertising to Hispanics that long—three or four years—but the Hispanic market is very important to us. It is growing."

Toyota's advertising to Hispanics, he says, is positioned in terms of aspirations, because "all the research we do finds Hispanics look up to the American way." In particular, "the Camry is positioned to the established person, the slightly older person whose children are in college but still needs a car to maintain certain family functions," Mr. Bucci says.

Maybe the epitome of that established segment are Hispanic business owners or CEOs, almost 40 percent of whom drive a Cadillac or Mercedes—12 percent more than last year, according to the 1991 HISPANIC BUSINESS 500 auto buying survey (also reported in "Cover Story").

The Ford Division of Ford Motor Co., traditionally a strong contender for Hispanic car dollars, has been addressing Hispanics for nearly 10 years. "Each year we have increased our commitment to the market, reflecting its growing buying power," says Ford Media Manager Richard C. Halseth, "and we're expecting a general move upscale." This year, Ford has both greatly increased its strong number one position among cars registered to Hispanic businesses, and lost some ground as a percent of cars registered to individuals.

Ford's advertising approach, Mr. Halseth says, is "to do image advertising for the Ford line in general and then a specific car line. We try to directly address Hispanic traditions and culture. We don't convert general market ads to Spanish."

Neither does Chrysler Corp., which separates creative for both television and print. "We run in very targeted media," explains David R. Rooney, manager of corporate advertising. "We find Hispanics look for practical luxury—a balance between pure ostentatious luxury and common sense. That balance is key." To sell that balance, Chrysler tries "to show the lifestyle as opposed to the product-as-king approach. We try to capture that very strong family tradition and include Hispanics in the advertising."

Upscale vehicles featured include the famed Chrysler minivans and the Jeep Cherokee. Now the Colt Vista/Eagle Summit will get special treatment in a dedicated print ad campaign as well, Mr. Rooney says.

The Summit wagon is pictured in front of a house with a white picket fence, flanked by husband and wife, son and daughter (who appears to be cheerleading the car). "For a family of individuals," says the headline. "Having to keep up with the activities of your busy family can be tough," the copy continues. "However, it doesn't have to be uncomfortable. The Eagle Summit was designed for your family. A family with individual styles, active, adventuresome, hard working, and most of all wise...The Eagle Summit has an engine that isn't afraid to deliver when asked to. A 12-valve, multi port 4 cylinder engine to be exact." The ad was done by Montemayor y Asociados Inc. of San Antonio, Texas.

GM's Pontiac Division basically kills two marketing birds with the same advertising stone. Pontiac has targeted areas where imports are strong with its new

How Big is the Pot? $25,100,000,000

A recent unpublished survey of how Hispanic consumers spend their money helped us this year to calculate how much Hispanics spend for cars and other transportation expenditures.

This "Consumer Expenditure Survey," conducted by the U.S. Bureau of Labor Statistics in 1988 and 1989, encompasses data from a nationwide poll of 95,340 "consumer units," or families, including 5,820 Hispanic families.

Because the Labor Bureau's report expresses expenditures in the various categories listed in terms of annual dollars per consumer unit, and because the Hispanic consumer units average 3.4 persons each, we divided the dollar amounts by 3.4 to get spending per person. We then multiplied that by 22,354,059, the official 1990 Census count of U.S. Hispanics—to get total Hispanic expenditures in each category.

The result? Hispanics spent at least $25.1 billion for transportation in 1990, considerably more than our purposely conservative estimate of last October. Of this $25.1 billion, $10.4 billion is for vehicles, including $4.0 billion for new cars and trucks, and another $6.4 billion for used cars and trucks.

Gas and oil cost the Hispanic consumer $5.3 billion. Maintenance and repairs run $2.7 billion. Additional expenditures are detailed in the chart.

1990 Hispanic Transportation Expenditures

Category	$ Billions	Category	$ Billions
Vehicle purchases total	$10.4	Other vehicle expenses total	$7.4
New cars and trucks	4.0	Vehicle finance charges	1.4
Used cars and trucks	6.4	Maintenance and repairs	2.7
Other vehicles	0.1	Vehicle insurance	2.6
		Vehicle rental, licenses, other	0.8
Gasoline and motor oil	$5.3	Public Transportation	$1.9

TOTAL: $25.1 BILLION

Sources: U.S. Bureau of Labor Statistics, unpublished data from "Consumer Expenditure Survey, 1988-89" and U.S. Bureau of the Census, 1990 Census results.

At 18.1 percent of the Hispanic Business 500 CEO market, Mercedes is neck-and-neck with Cadillac for first choice. Shown here is the 1991 Mercedes model 300 SE.

Bonneville and Grand Am coupes and sedans—areas that also turn out to be Hispanic strongholds.

I am not saying the Hispanic buyer is an 'import intender,'" says Pontiac's general marketing manager Joseph M. Hendrix. "But Hispanics and import intenders are attracted by styling and substance like antilock brakes and airbags. Research shows the Hispanic buyer wants to be treated no differently than any other buyer. [The emphasis on] quality, reliability, styling, and price-value are no different than for the market as a whole.

"At the same time the Hispanic market is large and growing extremely rapidly," Mr. Hendrix acknowledges. "It's very important for Pontiac."

The division's advertising will be tailored for four areas—California, Florida, New York, and Chicago.

In Florida, for instance, local Pontiac dealer ad groups put a lot of importance on local flavor. "One thing we do with dealer group commercials, whether they are in English or Spanish, is to use recognizable local talent, on-air personalities," says Fred H. Simmonds, Pontiac's assistant zone manager-field in Heathrow, Florida. "We use local people to get the right local dialect. You can't improve on local talent. Hispanics here like expressive cars with bright colors. And that happens to track exactly with what we want to do as Pontiac Division."

Ford's Lincoln-Mercury Division also will be focusing its Hispanic marketing efforts just on the top Hispanic markets of Miami, New York, Chicago, Los Angeles, and San Francisco. "We are coordinating our efforts in these cities to make sure our message gets across, instead of trying to be national. It's a more focused effort than before," says Mark Fields, Lincoln-Mercury's media coordinator.

Along with magazine and television advertising initiatives, Lincoln-Mercury will mount an aggressive outdoor ad campaign—a combination of billboards and displays in bus stations and bus shelters. "We are the first automotive advertiser with such an outdoor Spanish-language media plan to reach people in their communities," Mr. Fields points

Hispanic Advertising Agencies for the Leading Auto Makers

Casanova/Pendrill
Irvine, California
creative only, for Nissan

Conill Advertising
New York, New York
for Toyota

Mendoza, Dillon y Asociados Inc.
Newport Beach, California
for Ford Division

Montemayor y Asociados Inc.
San Antonio, Texas
for Chrysler Corp.

La Agencia de Orci y Asociados
Los Angeles, California
for Honda

The Honda Accord holds first place with the general Hispanic market—where it is selling better at 7.5 percent of all purchases than to the U.S. market overall.

out.The starring vehicle is the Mercury Tracer LTS, the top-of-its line. "The message is that the Tracer LTS is a family sedan with sports car performance. There's room for the family, but it's not an ordinary compact car. The headline in print ads is, "Va que quema"—"Hot on its tracks." TV ads will use the folksong "Adoro" to connect with its audience.

Overall, the strategy is to keep existing buyers and acquire new ones, says Joe Castelli, sales promotion coordinator. "These are upscale buyers. We are trying to define Lincoln-Mercury not only for Hispanics but for all. When you say 'Lincoln-Mercury,' some only think of the Town Car. When they think 'Mercury,' it's the Cougar. We're trying to define Mercury, and Tracer is the high impact car. The Hispanic market budget has indeed held its own."

GM's Oldsmobile Division hopes to capitalize on the Hispanic market's upscale swing. Like Lincoln-Mercury, it's already an upscale marketer. "We believe Oldsmobile is a nice fit with the things Hispanics are looking for: solid value, smart contemporary vehicles," says Director of Consumer Marketing Karen Ebben. "Products that are proven for endurance, quality, and dependability. That's important to Hispanic buyers over a lot of flash and dash. Hispanic buyers like a proven product, and the Olds nameplate has been around for more than 90 years. That type of lasting and quality reputation is important to Hispanics. We're not here today and cease to exist tomorrow. There's a stability."

Larger Buicks like the really roomy 1992 Park Avenue are among the top choices of Hispanic business owners, based on a survey of the Hispanic Business 500 CEOs.

That's one reason Olds changed its ad slogan to "The power of intelligent engineering," Ms. Ebben points out. "That's what it's all about."

Advertising is surely necessary, but of even greater importance is reaching into the community itself, Chrysler's Mr. Rooney says. "The idea is to go out to the audience and not expect them to find us. We want to go out to them, to their magazines, to their TV, to say 'we want your business.'" A major effort along those lines will be Lincoln-Mercury's promotion in South Florida for the Jose Marti Foundation. "Anything we can do to help Hispanics in education is looked upon favorably," says division Media Coordinator Mr. Fields. "It's getting closer to the customer that's so key," he explains.

About 11 percent of Hispanic Business 500 CEOs drive Lincolns like this classy Continental—one reason for Lincoln-Mercury's in-depth ad plans tailored to top Hispanic markets.

The promotion includes a 100,000-piece direct mailing in Spanish. Dealers are donating a fixed amount of money for each car they sell during the promotion, and Lincoln-Mercury will help fund it. "But the ~~ma~~jority of the money is coming from the dealers in Florida," Sales Promotion Coordinator Mr. Castelli says. Recipients of the mailer can take it into the dealership, where they can win a Mercury Capri. "You have to get it to the showroom floor," Mr. Castelli explains.

Oldsmobile has been teaming up with corporate General Motors in the "Unidos Hoy y Siempre"—"United Today and Always"—promotion. In conjunction with General Motors Acceptance Corp., Unidos Hoy sponsors seven events in California, Texas, Florida, and Illinois. Local radio and TV stations join the promotions, which include children's rides, arts and crafts, and a GM and Olds display. Prospects attending the Olds fiestas got $500 rebate offers.

So the battle of the brands begins, and Hispanics may just decide who wins.

Un-Equal Opportunity's the Reality

There are glass ceilings in America's corporations, "at a much lower level than first thought," says a statement issued by the U.S. Labor Department. The report, based on the first step in an ongoing investigation of major corporations that receive federal contracts, shows "clear signs that the progress of minorities and women in corporate America is being affected by more than just qualifications and career choices," says Labor Secretary Lynn Martin. The initial study of nine randomly computer selected *Fortune* 500 companies shows a range of practices contributing to bias in every one, including: reliance on word-of-mouth recruiting rather than more formal methods that include ethnic minorities/women, a lack of access for these groups to management development and training programs, and lack of top management involvement in fostering their advancement. The Labor Department is getting signed agreements for change from the nine, and expanding the investigation to other companies.

Newsletter Highlights U.N. Careers

Thomas F. Burola & Associates, a Ventura, California-based consulting firm working with the United Nations, now publishes a newsletter entitled "The Overseas Professional U.N. Job Bulletin" that provides information on positions at all levels in a range of skill categories for professionals seeking careers in the 164-country U.N. system—the largest single employer of international people in the world. Areas of international opportunity covered also include the World Bank, USAID, the Asian Development Bank, and a range of private consulting companies with recent international contracting awards. Other types of information available from TFB & Associates include international contract award information on employers using experts, and identification of key people in various development agencies.

Financial Services Fellowships

In 1989 the Institute for Fiduciary Education, along with a national board of directors representing the pension and investment industry, established the Financial Services Fellowship Program Inc. This 501(c)3, nonprofit corporation is sponsored by prominent investment advisors, consultants, and financial foundations. Currently, the program is sponsoring its first seven fellows, named in 1990, and seven new fellows in the MBA program at the Columbia Business School in New York City. Each receives an annual $20,000 fellowship, provided by program sponsors via annual $3,000 donations, to cover the cost of tuition and living expenses. The students also participate in a mentor program with experts from the industry, and in summer internships at leading pension and investment management firms. The organization's sole focus is to increase decision-making opportunities for minorities in the financial services field.

Student Bodies Multilingual

The most recent crop of college bound high school students taking the College Board's Scholastic Aptitude Test (SAT) demonstrates that a large segment of the college population is bilingual. Sixty-nine percent of the 66,251 Hispanic students who took the recent test and 71 percent of the Asian American students were either raised speaking two languages or learned English as a second language. In all, 16 percent of the 1.03 million test takers fall in the multilingual category, up 3 percent since 1987. Of the 66,251 Hispanics tested, 28,602 are of Mexican extraction, 57 percent of them multilingual. Another 12,065 are of Puerto Rican heritage, 73 percent multilingual; and 25,584 are "other Hispanic," 78 percent of them multilingual. Only 1 percent of the 28,602 students claiming Mexican heritage and of the 12,065 reporting Puerto Rican origins reported they are citizens of other countries; and 10 percent of the 25,584 students claiming "other Hispanic" ethnicity.

HACE Careers for Hispanics

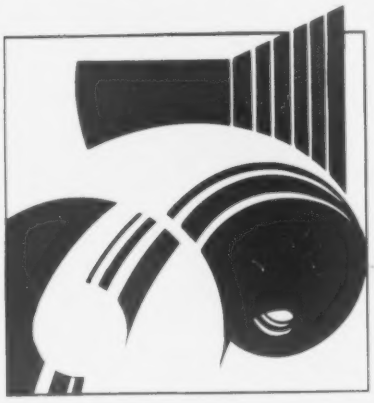
The Hispanic Alliance for Career Enhancement (HACE) hosts its sixth annual conference in Chicago in mid-November. Recruiters and human resource personnel from such *Fortune* 1000 companies as Motorola, IBM, Kraft General Foods, and Xerox will be available to interview candidates for immediate job openings. More than 100 major U.S. employers, and 2,500 Hispanic professionals and college students are expected to participate in the discussions and interviews offered by HACE. The conference hosts a seminar series addressing the needs of professionals and students. Seminar topics include—effective communication, Hispanic participation on corporate boards, needs of professional Hispanic women, and the glass ceiling for Hispanics. Another series will be directed at improving employers' skills in managing Hispanic professionals.

*Language Proficiency of Graduates Who Took SAT, 1991**

By Percentage of Ethnic Group	LANGUAGE SPOKEN		
	English	English and Other	Other Language
Native American	92%	6%	1%
Asian American	29	26	45
African American	92	6	2
Mexican American	43	35	22
Puerto Rican American	27	38	35
Other Hispanic	22	35	43
Mainstream	94	4	2
Other	58	20	22

Source: The College Board

*Includes citizens of other countries



Hispanics More Receptive To TV Commercials

Market Development Inc. of San Diego specializes in cross-cultural research in general and research among U.S. Hispanics in particular. Recent findings from a 1991 poll reflect Hispanics' choices for their most admired person, and favorite entertainers. Ranking as the top three most admired persons, respectively, are President George Bush, Pope John Paul II, and singer Julio Iglesias.

Distinctions between this year's list of the top 10 "most admired" and last year's include the addition of actor Andres Garcia in fifth place, actor/singer Vicente Fernandez in sixth, performer Juan Gabriel in seventh, actor/singer Jose Luis Rodriguez (El Puma) in eighth, and veteran actor Charles Bronson, tying for 10th place with Mikhail Gorbachev.

In response to another question asking for the name of a favorite actor/actress, Veronica Castro of the Spanish-language telenovela, "*Mi Pequena Soledad*," was selected most often, followed by Vicente Fernandez, and star of the telenovela "Amor de Nadie," Lucia Mendez. The respondent's country of origin and dominant language were variables affecting the selection of favorite actor/actress. U.S.-born Hispanics preferred such actors as John Wayne, Paul Newman, Mel Gibson, Arnold Schwarzenegger, and Clint Eastwood—their top five choices. Notably, however, English speaking actors Sylvester Stallone, Charles Bronson, and Chuck Norris appeared in the foreign born Hispanics' list but did not make the top 10 for U.S.-born Hispanics.

Another report based on an MDI Hispanic poll discusses Hispanics' attitudes about television commercials. Forty-four percent of U.S. Hispanics have a positive reaction to television commercials in general, and 59 percent of the respondents say they base their purchase decisions on the information they obtain from commercials. This is by contrast with the general U.S. population. Only 16 percent of respondents in that category have a positive reaction to commercials, with 39 percent of the sample considering the ads a useful source of information for decision making. These results correlate with findings from an MDI survey which revealed that 49 percent of the U.S. Hispanic population ranks watching television as the favorite evening pasttime, compared with 24 percent of the general population. The difference is even greater—50 percent compared with 11 percent—among viewers aged 18 to 35.

But the perceived usefulness of commercials among Hispanics is more than just a reflection of Hispanics' more positive feelings about television and commercials, the report concludes. Even among the Hispanics who expressed negative feelings about commercials, one-third said they used information provided in the advertisements to make purchase decisions. And younger respondents were more likely to find commercials useful than older respondents, even though they were less likely than their seniors to say they liked the commercials. Since the younger respondents tended more to be foreign born and to have lived a shorter time in the United States, a sheer need for more information about products in this market may be a differentiating factor.

Another variable studied to determine respondents' reliance on television commercials in decision making is language dominance. Sixty-three percent of Spanish-dominant Hispanics use information in television ads to make purchase decisions. On the other hand, only 43 percent of English-dominant Hispanics find commercials useful. One conclusion of the report is that Spanish-dominant viewers probably have fewer sources of information available to them.

Hispanics' "Most Admired" People*

MOST ADMIRED PERSON	RANKING June 1990	RANKING January 1991
George Bush	2	1
Pope John Paul II	1	2
Julio Iglesias	3	3
Ronald Reagan	4	4
Andres Garcia	•	5
Vicente Fernandez	•	6
Juan Gabriel	•	7
Jose Luis Rodriguez (El Puma)	•	8
Mother Teresa	5	9
Charles Bronson	•	10
Mikhail Gorbachev	6	10
Donald Trump	7	•
Nelson Mandela	8	•
Henry Cisneros	8	•
Hugo Sanchez	10	•

*Respondents were asked what well-known living person they most admire.
Source: 1991 poll by Market Development Inc.

Feelings About TV Ads: Hispanic vs. General

	U.S. HISPANIC	TOTAL POPULATION
Positive	44%	16%
Neutral	34%	41%
Negative	21%	42%
No Opinion	1%	1%

Source: 1991 poll by Market Development Inc.
*Total population figures from Gallup Poll, 8-90.